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COMMERCE APPROVES SATELLITE

· TO CHINA

FOR IMMEDIATE RELEASE

The Administration announced today resumption of licensing for the export of certain commercial satellites to be launched from China. After extensive legal analysis, a decision was made that Commerce satellites are not covered by the Missile Technology Control Regime (MTCR) sanctions and may be approved.

This approach recognizes existing differences in the State and Commerce Departments' licensing authorities and practices, and affirms the validity of those differing practices in implementing the missile sanctions law. Under the sanctions law, State licenses for satellites must be denied.

The MTCR Category II sanctions on China require denial of pending or new export license applications for MTCR Annex items, both munitions and dual-use items, for the sanctioned entities for two years.

The Commerce Department controls and licenses exports and reexports of dual-use commodities and technical data. Under the authority of the Export Administration Act, controls on these commodities and technologies are maintained for reasons of national security, foreign policy, nonproliferation and short supply.